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■ VIDA Diagnostics' revolutionary new medical imaging software has potential to save the lives of those with lung disease.

■ Iowa State University brings together researchers and industry technology professionals to keep electronic data safe.

Intradyn Selects Iowa for New Production Operation

Following a six-month search, Intradyn Inc., an Eagan, Minnesota-based technology company that produces data protection and preservation appliances and software solutions announced that it has chosen the northern Iowa community of Mason City for its new production and service operation. The project, which received a \$250,000 award from the Iowa Department of Economic Development's Community Economic Betterment Account, will create 63 new jobs.

According to Gary Doan, Intradyn CEO, heightened interest in disaster recovery and data security by small and mid-sized businesses is being driven by several key, converging trends, "Business data growth

continues to explode," says Doan.

"Businesses are also coming to the realization that the survival of their organizations depends upon its data, and finally, companies must comply with expanding regulatory requirements." Yet, he adds, because of the lack of simple and affordable data protection solutions, it's been estimated that more than five million small and mid-sized businesses are either not doing data backup and archiving properly, or not at all.

Intradyn Inc. has solved many of those concerns by developing a range of tools that allow businesses to more easily and securely protect and retain their business. "We deliver proprietary software as all-in-one hardware and software appliance

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Gary Doan,
Intradyn CEO

Utilities find a Powerful Partner in Iowa's Professional Computer Services

With the launch of a new generation of its software solutions, Professional Computer Systems Co., a 24-year-old technology company headquartered in the western Iowa community of Denison, continues its growth as a leading provider of technology solutions to the utility industry in the U.S. and overseas. PCS' suite of management applications helps utility executives manage their customer information, HR and payroll functions, billing and accounting functions, and move into e-commerce.

"We develop innovative solutions for municipal utilities and rural electric cooperatives. Our services include software applications, custom software development, support, consulting and training, hosting services and IT managed services," says Kim Ingerslev, who founded PCS in 1982. "Our client base ranges from utilities with as few as 1,000 customers to the Phoenix-based Salt River Utility—one of the largest municipal utilities in the U.S."

In fact, PCS provides IT managed services for Kotzebue Electric Association, an Alaska-based utility, located 30 miles north of the Arctic Circle as well as customer billing applications for the Fayetteville, North Carolina-based Public Works Commission that serves the Fort Bragg Army Base and Pope Air Force Base.

However, it is the Managed-On-Demand services that's fueling growth at PCS. "Remote managed services allow companies to increase the efficiency of their infrastructure and system management," says Ingerslev. "It allows our customers to focus on their core competencies—delivering electricity and water, and other services such as Internet and cable." Managed or On-Demand services allow utilities to sign up for the level of technology

services they need at monthly rates, rather than making significant investments in infrastructure, applications or technical resources.



Ingerslev says that programs used for payroll processing, customer-information systems, credit scoring, credit-card processing, customer-relations management, as well as other common desktop applications can be accessed and used online by utilities.

Along with Managed Services, PCS's corporate headquarters also serves as a data disaster recovery site for utilities. "If a utility office is hit by some sort of disaster," says Ingerslev. "Our customer will only need to find a location with high-speed Internet capability and they can have billing, payroll and general ledger up and running in only a few hours."

Innovation such as this led to PCS being recognized as the 2005 Technology Company of the Year by the Technology Association of Iowa, the trade group that represents Iowa's more than 2,000 technology companies and their 30,000 employees.

The company was recently awarded \$329,000 from the Iowa Department of Economic Development to assist it as it developed its Managed Services business and core software solutions. With the award, PCS pledged to create 27 new jobs at an average annual wage of \$45,000. "We're excited that the IDED saw the potential in our business plan and long-term growth potential," says Ingerslev.

In Denison, Iowa, Professional Computer Systems is delivering innovation in information solutions to its customer base in the utility industry. These solutions are helping municipal utilities and rural electric cooperatives to more efficiently and cost effectively deliver needed services to their customers. Together PCS and its utility customers have become a powerful partnership. ■

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Iowa's LightEdge provides the business 'edge' through Utility Computing

When Seattle-native Jim Masterson arrived in Des Moines 32 months ago to become CEO of LightEdge Solutions, the company was a 50-employee Internet Service Provider and Wide Area Network provider. Today, the company and its 97 employees serve more than 3,000 customers and has become a leading provider of upsourced information solutions, fully managed data and Voice-over-Internet Protocol (VOIP) to small and mid-sized businesses throughout the Midwest and Southwest.

“Our Scale-on-Demand service delivery model enables businesses to take advantage of converged network and IT services to increase operational efficiency and scale for growth—all at a fraction of the upfront capital costs,” says Masterson. **“Rather than making significant investments in infrastructure, applications or technical resources, businesses can sign up for the level of technology services they need at affordable monthly rates.”**

On demand services, also known as upsourced IT and utility computing has been called one of the top ten business technology trends by worldwide information technology and telecommunications analyst Gartner, Inc., and by the Wall Street Journal. With upsourced IT, small and mid-sized businesses can exploit a utility-based, monthly “pay-as-you-use” pricing model.



using these technologies to provide real-world business value to their customers.”

“With LightEdge’s scale-on-demand capabilities in data networking, IT hosting/management and hosted Voice-over-IP (VoIP) telephony, our customers are assured of a Fortune-500 level IT experience without the initial capital expense and ongoing staffing expenses of a traditional network,” says Masterson.

Not only is LightEdge gaining new business customers for its scale-on-demand capabilities, it's gaining a worldwide reputation for innovation. The aforementioned telecommunications analyst, Gartner, Inc., recently named LightEdge as a “Cool Vendor” in its “Cool Vendors in Network Services” report.

According to Gartner, LightEdge and the other six vendors—located in Silicon Valley, New York City, England, Italy and Luxembourg—have two things in common: “They are using and offering technologies and services to help users of network services obtain a cheaper and enhanced service that is more closely aligned to actual requirements. They are also

LightEdge, privately owned with an investor base that includes The Principal Financial Group, Farm Bureau Financial Services and well-

known Iowa venture capitalist John Poppajohn, received a \$723,000 award from the Iowa Department of Economic Development to help the company expand its market reach. With the investment, LightEdge has pledged to create and retain 125 jobs paying an average wage of \$25 per hour.

By helping more than 3,000 small and mid-sized companies throughout Iowa and the Midwest obtain Fortune-500 level information solutions on demand, LightEdge Solutions is helping its customers increase operational efficiency and scale for growth at a fraction of the upfront costs. Dedicated to technology leadership and best-in-class service and support, LightEdge is growing its business by helping its customers grow their business. ”

For more information on how an Iowa location can help your company soar in today's global economy, visit the Iowa Department of Economic Development (IDED) Web site at www.iowalifechanging.com. Or for a confidential consultation with an IDED project manager, call 800.245.IOWA (4692). ■

Iowa's **TEAM** Effort to Data Security

Along with the rest of the nation, Mark Kittrell stood transfixed in front of a television on 9/11, watching in horror as the Twin Towers collapsed, part of the worst terrorist attack on U.S. soil. At the time, Kittrell, now CEO of Cedar Falls-based TEAM Technologies, was in Chicago overseeing the building of a data center for credit card giant Discovery Cards.

“We were building the data center across the street from the Sears Tower and I thought to myself: ‘This is not the place to store vital company information,’” Kittrell recalls. “Along with the nation never being the same, I also knew information technology and data security would never again be the same.”

Fast forward four years to witness the devastation of New Orleans and the Gulf Coast by Hurricane Katrina. While businesses across the region will be disrupted for months and possibly years to come, New Orleans resident Bob Whitman, the main technological officer for The John Lutch Consultancy, saw no disruption to the integrity of his company’s data, courtesy of Kittrell’s TEAM Technologies.

Thanks to TEAM’s high-security data storage and network access point facility in Cedar Falls, Whitman missed just one day of work. While most companies’ information is stored in centers in metropolitan areas or close to corporate headquarters, Kittrell says a post 9/11 world is rethinking that strategy.

“Following 9/11, people are asking if they really want all their company’s critical data sitting next to the Sears Tower, the Pentagon or any other highly visible and thus, terrorist target. As an Iowa native, I always believed a world-class data center could be built here less expensively than in New York, Chicago or on the West Coast,” says Kittrell. And when someone looks at the threats to a data center—terrorism, earthquakes, blackouts and hurricanes—Iowa is as secure a location as someone will find.”

Following two years of planning and a year of construction, the TEAM Technologies 24,000-square foot data center is one of world’s most secure, state-of-the-art facilities. The



\$6-million center, staffed 24 hours a day by highly trained information technology specialists, opened in October 2004. It protects company data using the most sophisticated security technology available.

“The center has two-foot-thick concrete walls, multiple-redundant fire protection and electrical generation backup,” explains Kittrell. “Video cameras monitor activity. A swipe card system and palm-print scanner allow access only to

authorized personnel.”

TEAM clients use the center as a secure location to back up computer data and a network access point where Internet service providers connect with one another. “It’s a very secure place where our clients can locate very expensive and very sensitive equipment,” says Kittrell.

Construction of the TEAM data center was leveraged by a \$250,000 investment from the Iowa Department of Economic Development’s Entrepreneurial Ventures Assistance program.

TEAM Technologies’ client base includes companies in utility, telecommunications, health care, insurance, and transportation industries, as well as government agencies and educational institutions. Along with more than 100 banks and several international companies, two Iowa concerns using the center are Muscatine’s Bandag and Waterloo-based Hawkeye Community College.

With the data center reaching 70 percent of capacity, Kittrell and his management team are already scouting sites for other data centers. “Our unique capabilities, coupled with Iowa advantages—a well-educated workforce, a ready supply of electricity and affordable real estate—will be instrumental to our continued success,” he says.

For more information on how an Iowa location can help secure your company’s future, visit www.iowalifechanging.com or call a project manager of the Iowa Department of Economic Development for a confidential consultation at 800.245.IOWA (4692). ■

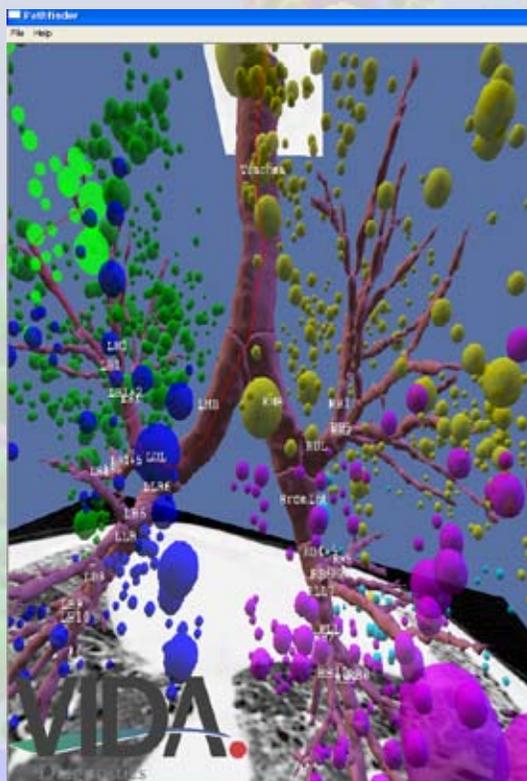
VIDA Diagnostics Breathes New Life into Lung Disease Treatment

Revolutionary new medical imaging software—developed at the University of Iowa—has the potential to save the lives of those afflicted with chronic lung disease. According to John Garber, CEO of VIDA Diagnostics, his company develops and markets software solutions for the detection, treatment planning and follow-up for acute and chronic lung disease such as emphysema, asthma, lung cancer and interstitial lung disease.

Lung cancer affects more than 160,000 people in the U.S. while emphysema affects 2.7 million according to the National Institutes of Health. VIDA's software could also help the nation's 16 million asthma sufferers. According to the NIH, chronic lung disease accounts for \$132 billion in costs annually.

"Our software locates and measures chronic lung disease far more accurately than the current standard of care," says Garber. "Our Pulmonary Analysis Software Suite will improve care and lower costs for patients by supplementing assessments of CT scans, which can vary from reader to reader, with fast, quantitative, repeatable measurements."

What makes VIDA's software so revolutionary is its ability to add much more value to a CT scan. "Our product takes a CT scan and reconstructs it into a computer model that relates the complex branchings of the bronchial tree to the lung tissue it feeds" says Garber. "This could help radiologists achieve easier, better screening and diagnosis of debilitating lung conditions in less time."



VIDA's revolutionary software adds much more value to a CT scan. "Our product takes a CT scan and reconstructs it into a computer model of the complex branchings of the lungs" says John Garber, VIDA Diagnostics CEO.

VIDA's analytic software, which Garber believes will gain FDA approval sometime in 2006, will also help guide treatment of lung disease. "A common treatment for emphysema is surgically removing the most diseased portions of the lungs," says Garber. "This is a very invasive procedure."

A less invasive alternative, says Garber, is using VIDA's software with a bronchoscope—a long, thin scope with a camera and light source. Run through the patient's airway, and using VIDA's software as a guide, a physician can take a biopsy of a suspected tumor, or deflate a portion of a lung afflicted with emphysema. "What's more, our software can give the physician Mapquest-style directions to navigate the complexities of the lung," says Garber.

VIDA Diagnostics, located in the University of Iowa's Technology Innovation Center, UI's advanced technology business incubator, recently received an award of \$100,000 from the Iowa Department of Economic Development Entrepreneurial Ventures Assistance (EVA) program to assist in its product development.

Building upon the University of Iowa's leadership in biomedical engineering and its unique multidisciplinary approach to lung research, VIDA Diagnostics is commercializing a revolutionary medical imaging analysis software based on licenses from UI. And as it grows, VIDA and its Pulmonary Analysis software will give physicians an exciting new tool to enhance patient care through earlier and easier lung screening while at the same time saving hospitals money. ■

Intradyn – continued from page 1

solutions—requiring no integration, or client licenses,” explains Doan, whose company has partnered with technology giants Sony, Imation and 3M.

The company’s award-winning RocketVault appliance makes data backup “plug-and-play easy,” with simple setup and access via any web browser, and the ability to encrypt data for security, both on- and off-site.

Similar simplicity is found in the ComplianceVault appliance, which captures all of a company’s email on a continuous basis, from a virtually unlimited number of mailboxes—storing all email messages on both hard disk and unalterable tape media. “This allows companies to affordably comply with strict email retention and availability rules, such as those of the SEC, the Sarbanes Oxley Act, HIPAA, and to meet their legal discovery needs related to email retrieval,” says Doan.

In searching for a location for its first expansion, Intradyn staff spent six months looking at sites throughout the Upper Midwest. And according to Doan, Mason City stood out for a variety of reasons. “The location proximity to Minnesota and the work ethic of north Iowans were big factors in our decision,” says Doan. “Another factor was how so many people in the area pulled together as partners. If we’re going to make this bold step, we needed to know that we’d have others here to partner with us.”

Besides IDEED, Intradyn received financial incentives from North Iowa Community College, the Mason City Economic Development Corp., and the North Iowa Venture Capital Fund.

Doan is excited about his new North Iowa location, as well as the future of his company. “The emailing archiving market is projected to reach \$4.4 billion annually by 2009 according to The Radicati Group,” says Doan. “Data protection spending by small and midsized companies has been projected to reach \$3.5 billion by 2008. We feel we are well positioned to successfully compete in this market.”

As the first company to introduce true appliance solutions that can simply and affordably meet the unique needs of small and midsized businesses, Intradyn is receiving excellent early market acceptance from customers, analysts, and the media. And with its move to Iowa, Intradyn found a location to partner with growing companies and help them.

For more information on any of Iowa’s financial assistance programs, visit www.iowalifechanging.com or call a project manager of the Iowa Department of Economic Development for a confidential consultation at 800.245.IOWA (4692). ■

Strengths of Iowa for Information Technology

Consultants for Battelle Institute interviewed more than 600 individuals and combed through extensive data to establish a roadmap for Information Technology development in Iowa. Among the strengths they report for Iowa are these:

Workforce

A hard-working, dedicated, well-educated, and inventive workforce provides a keen competitive edge for employers. Companies time after time noted that Iowa consistently provides employees who are well-educated, reliable, and have a strong work ethic. Iowa’s workforce is also a good value.

Living

Iowa is successfully recruiting family-oriented and mid-career skilled personnel who recognize the tangible benefits of Iowa’s

quality public education system, traditional values, short commutes, and family-friendly living conditions.

Networks

Iowa’s major cities have ample fiber-optic broadband telecommunications capacity. Companies such as The Principal, Wells Fargo, John Deere, and Rockwell Collins require a state-of-the-art transnational and international communications infrastructure to maintain competitiveness.

Organization

The industry has organized itself into the Technology Association of Iowa (TAI) to significantly enhance the growth of the IT industry through networking access to ideas, capital, workforce skills, and other key inputs. ■

Iowa State's Digital Protectors Help Keep Data Secure

A new national center based at Iowa State University is bringing together researchers and industry technology professionals to keep electronic data safe from an ever expanding onslaught of computer hackers, identity thieves and computer viruses.

The Center for Information Protection is being launched with a \$120,000, two-year grant from the National Science Foundation (NSF).

"With more than 85 percent of the cyber infrastructure controlled by private industries it is critical that government, academia and the private sector work together to develop better methods to protect public and private information contained within the infrastructure," says Dr. Carl Landwehr, program director at the NSF.

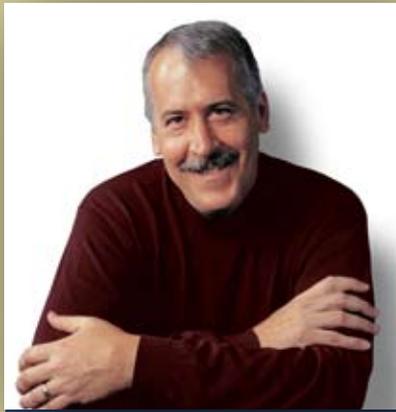
CIP is a collaboration among ISU, the New Jersey Institute of Technology, the NSF and industry partners.

According to Doug Jacobson, CIP director and an ISU professor of electrical and computer engineering, CIP will evaluate computer network security threats and find ways to improve the technology and methods used to keep data confidential.

"Think of all the computerized information Iowa's Principal Financial Group needs to protect," says Jacobson. "With roughly 15 million customers, 14 thousand employees and \$180 billion of assets, the company has an enormous amount of electronic information to protect.

"Until recently, academia, government and the private sector led separate research projects focused on data protection," Jacobson continues. "Our goal is to focus researchers on some of the immediate problems facing our industry partners."

While the NSF is providing the operational funding, industry sponsors are paying five-figure fees to fund CIP research projects. CIP industry partners with Iowa roots include Cargill, Deere & Company, Farm Bureau Financial Services, Palisade Systems, Principal Financial Group and Rockwell Collins. Jacobson believes ISU is ideal for a center devoted to data protection. "We are in a great position to be a hotbed for



Doug Jacobson, CIP director & ISU professor of electrical and computer engineering.

security research," he says. "ISU has one of the nation's best computer security programs. And the state is a major center for the insurance and financial services industries."

Gary Scholten, senior vice president and chief information officer for Des Moines-based Principal Financial Group, agrees. He says his company joined CIP with hopes it can find assistance with its security and privacy needs.

"Security is certainly an area the Principal is very focused on," says Scholten. "We're always looking to expand our research and development in information security for the benefit of our customers."

Another CIP charter member is Ames-based Palisade Systems, a leader in development of network security appliances that help organizations analyze network activity, enforce network access rules, and protect intellectual property.

"By joining CIP, we can harness the combined research power of leading universities and Fortune 500 companies," says Kurt Shedenheim, Palisade president and CEO. "The Center will allow us to research, test and develop innovative security solutions with real-world applications affecting all corporations."

Jacobson says industry-directed research at CIP will answer the question "How do we eliminate unacceptable risks?"

"By mixing ideas from campus labs and company offices, we may find novel solutions to the growing problem that is cyberspace security," says Jacobson, adding that CIP continues to accept new industry sponsors. ■

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guest opinion

Discover a more successful future in Iowa



Leann Jacobson
President
Technology
Association of Iowa

Information technology is a strong and important sector of the Iowa economy employing 30,000 Iowans at more than 2,000 companies, according to a new analysis from Battelle Institute consultants.

The strength of Iowa's IT industry is based in the service-segment. Internet and data services, communications network services, and software and computer services constitute 81 percent of all IT employment. Slightly ahead of U.S. trends, these service sectors compose the backbone of Iowa's IT industry, according to Battelle.

Our group, the Technology Association of Iowa (TAI), is the leading organization representing IT companies in Iowa, providing leadership, alliances and energy essential to continued success. As a part of this role, I am pleased to serve on the new Information Technology Council, which is leading the implementation of growth strategies mapped by Battelle for the Iowa economy.

Key stakeholders in private industry and the public and academic sectors in Iowa are joining together in a collaborative environment on this steering committee, which was organized by the Iowa Department of Economic Development.

The Council will launch proposals to drive progress and mitigate barriers to progress. We envision IT becoming a much larger sector of the Iowa economy through this effort.

The Battelle study found that Iowa's IT base is differentiated from others by: a customer base in finance and insurance, biosciences and advanced manufacturing industries; research university strengths in producing IT graduates and world-class IT research; and companies that offer value-added IT services as well as design support and solutions.

With this roadmap Iowa will have a focus on developing specialized applications for the finance and insurance industries, radio frequency (wireless) technology, advanced visualization and human-computer interaction systems, and high reliability rugged systems.

We're excited about the possibilities we have to increase the number of firms, heighten competitiveness of existing firms, expand employment, and spur innovation in the years ahead.

We invite you to join the Technology Association of Iowa and seek your future in a state that is focused on the success of your technology business. ■